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20 February 1957

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director (Plans)

**SUBJECT: Recommendation No. 5 of the President's
Board of Consultants on Foreign
Intelligence Activities**

1. This memorandum contains a recommended position for the forthcoming consultations with the 5412 representatives. The recommendation is summarized in paragraph 7. At Tab A is a draft of proposed procedures for discussion with the 5412 representatives. At Tab B is a copy of the Agency regulation on PP/PM project outlines with underlining to indicate our emphasis on coordination with other agencies.

REFERENCES

2. The recommendation of the President's Board of Consultants is as follows: "With regard to clandestine operations, we urge that present practices be regularized to insure that in all appropriate instances these projects (1) receive the benefit of proper joint staffing and formalized approval, and (2) that both the State and Defense Departments be kept abreast of the developments of these projects on a need-to-know basis and, of course, under tightly guarded security procedures."

3. The relevant paragraphs of NSC 5412/2 are the following:

"4. Under the authority of Section 102(d)(3) of the National Security Act of 1947, the National Security Council hereby directs that the Director of Central Intelligence shall be responsible for:

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a. Ensuring, through designated representatives of the Secretary of State and of the Secretary of Defense, that covert operations are planned and conducted in a manner consistent with United States foreign and military policies and with overt activities, and consulting with and obtaining advice from the Operations Coordinating Board and other departments or agencies as appropriate.

b. Informing, through appropriate channels and on a need-to-know basis, agencies of the U. S. Government, both at home and abroad (including diplomatic and military representatives), of such operations as will affect them.

"7. Except as the President otherwise directs, designated representatives of the Secretary of State and of the Secretary of Defense of the rank of Assistant Secretary or above, and a representative of the President designated for this purpose, shall hereafter be advised in advance of major covert programs initiated by CIA under this policy or as otherwise directed, and shall be the normal channel for giving policy approval for such programs as well as for securing coordination of support therefor among the Departments of State and Defense and the CIA."

DISCUSSION

4. The DCI has carried out his responsibilities under paragraph 7 of NSC 5412/2 by providing advance information on major programs to the designated representatives on the occasion of the weekly OCB meetings. Their approval of programs has been recorded in sterilized memoranda which refer to complete project files that remain in the custody of CIA. The DCI has also, in line with paragraph 4 of NSC 5412/2, ensured consistency with policies and informed other agencies through established liaison mechanisms in Washington and has arranged for similar liaison with senior representatives of State and Defense at overseas posts. There is,

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admittedly, an apparent unevenness in the application of current liaison procedures. The existing procedures between State and CIA are fully developed and in daily use. The procedures with the Department of Defense are somewhat less formalized and less active. This can be attributed, for the most part, to the fact that peacetime CIA operations have far more direct relation to the political policies of the Department of State than to the military policies of the Department of Defense. As a consequence, the principal items of coordination with the Department of Defense are in the field of war planning activities. This disparity was foreseen in the assignment of covert objectives in paragraph 3 of NSC 5412/2 wherein items a. through e. involve foreign policy and only item f. concerns military policy. Any other than a strict interpretation of the scope of interest of other departments in covert operations would not be reconcilable with the need-to-know principle nor with the DCI responsibility for the protection of sources as specified in the laws and regulations establishing CIA and outlining the covert functions of the Government.

5. Joint staffing, in the normal sense of two or more departments working out together all the details of a program or a project, would appear to violate need-to-know and protection of sources since the description of covert assets and techniques is an integral part of each project. The DCI interprets NSC 5412/2 to mean that the Central Intelligence Agency assumes primary responsibility for the staffing and carrying out of particular projects and that the designated representatives of the departments pass upon its conformity with general foreign policy or defense policy, as the case may be. The DCI ensures consistency with foreign and military policy through representatives of State and Defense (over and above his awareness of these policies and the participation of members of his staff in the work of interagency committees) by arranging the establishment of liaison offices between his agency and Defense and State. His staff officers may raise questions of the implications of foreign and military policy with responsible officers in the other departments. These responsible officers are staff assistants who should be screened for security, be acceptable to CIA, and be capable of obtaining the necessary cooperation and answers within their own departments. The

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DCI would still maintain the responsibility for staffing the project and, as the current practice is, maintain in his own files the detailed project outlines. The project outline form currently in use in CIA specifically requires coordinations and authorizations (Tab B). Matters of policy must be clarified with appropriate agencies or through the OCB. Statements of the interests of other departments are required in writing in the project outline. It would, however, be incompatible with security to maintain files in several separate places; adequate security precautions and the need-to-know can be preserved only if the project files remain in the custody of CIA.

6. The foregoing discussion and the history of past experience with this problem indicate that normal governmental procedures in terms of joint staffing and formalized approval are not applicable to covert operations, but that the intent of the recommendation could be achieved by the application of specific, agreed procedures to the present liaison relations. An agreement on procedures should distinguish between the major programs presented to the 5412 representatives and the more routine details handled by liaison offices; it should emphasize protection of sources and the need-to-know principle; it should require that procedures and designated liaison officers be acceptable to the DCI; it should, finally, recognize the fact that the bulk of CIA peacetime operations affect solely the Department of State.

RECOMMENDATIONS

7. The following recommendations are made:

a. That senior 5412 representatives be designated by name by their principals. These designated representatives should have alternates acceptable to the DCI who can act for them in their absence or unavailability. The designated representatives should name one or more staff assistants to operate a liaison office for coordination with CIA on 5412 matters. These staff assistants should be subject to acceptability by the DCI and should be processed for CIA security clearances.

b. That the definition for major programs concerning which the DCI will inform the 5412 representatives in advance will include:

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(1) Programs which are not covered under previous budgeting and which must be financed by a withdrawal from the CIA reserve.

(2) Programs which involve the expenditure
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(3) Programs which in the opinion of the DCI are of sufficient importance or sensitivity to warrant this advance notice.

The DCI and the senior 5412 representatives may decide that certain of these programs are so sensitive that they will receive no staffing at lower levels. In these cases, approval will be recorded by an exchange of sterile memoranda and the designated representatives will be kept abreast of developments by periodic progress reports by the DCI.

c. That the more routine problems of joint interests and the obtaining of policy guidance be handled between liaison offices. CIA will maintain sole possession of project files but will provide oral briefings to cleared liaison officers to the extent necessary to obtain general policy guidance. Exchanges on policy guidance will be in writing, will become an integral part of the project record, and will be considered formalized approval of the matters contained in the correspondence. This same liaison office and the same channel of correspondence will serve to keep the other departments abreast of the developments of CIA projects that affect them.

d. That each department develop a method of handling information concerning 5412 projects. Procedures should be submitted to the Director of Central Intelligence for approval. The liaison offices in State and Defense also will be responsible for maintaining and providing to CIA a list of their officers who are witting of CIA projects.

e. That the attached draft of proposed operating procedures under NSC 5412/2 be coordinated with the Department of State and

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